

Chairperson: Supervisor Lee Holloway  
Clerk: Delores "Dee" Hervey, 278-4230  
Research Analyst: Steve Cady, 278-4347

**COMMITTEE ON INTERGOVERNMENTAL RELATIONS**

**Tuesday, October 31, 2006 @ 10:00 a.m.**  
**Milwaukee County Courthouse - Room 201-B**

**MINUTES**

**PRESENT:** Supervisors Dimitrijevic, Nyklewicz, Borkowski, McCue, Weishan and Holloway (Chair)

**EXCUSED:** Supervisor White

**CASSETTE NO. 9 SIDE A 348-END & B-END (*Technical difficulty-Side B*)**

**CASSETTE NO. 10 SIDE A01-436 (*Technical difficulty- Side A*)**

A moment of silence was offered for Dr. Joseph Darwin and his family who played a huge role with the hospitals and saving the General Assistance Medical Program (GAMP). He was also responsible for the paramedic program being developed within Milwaukee County. The program was operated under his medical license and direction. He made the procedures and policies. The trauma one center at the County Grounds is also attributed to him.

**SCHEDULED ITEMS:**

1. 061R2 Invitation to the Greater Milwaukee Committee (GMC) to present the September 11, 2006 report by the GMC Quality of Life Task Force.

**APPEARANCES:**

Roy de la Rosa, Director, Intergovernmental Relations  
Kelly Bablitch, Deputy Director, Intergovernmental Relations  
Sheldon Lubar, Greater Milwaukee Committee (GMC)  
Julia Taylor, President Greater Milwaukee Committee (GMC)  
Supervisor James J. Schmitt, District 19

- 9-A-433** Ms. Taylor gave an overview of the GMC Study. One of the areas the GMC Committee looked at was the Pension Obligation Bonds (POB's). They felt this would have the largest financial impact because of the long-term funding. Also trying to keep the insurance costs from escalating to 20% per year was another area of concern. GMC recommended a study committee for POB's. She addressed the self-insurance model. GMC advocated for a wellness program because the program makes a difference in capping increases. In some cases driving increases into actual decreases in cost. They hope the County would

## SCHEDULED ITEMS (CONTINUED):

consider this as they look at insurance changes. GMC called for more intergovernmental agreements that currently are areas of services the County provides that you may be the sole provider such as the fire department at the airport. It would make sense to have those services provided by the City. Basically the County would be covering a number of shifts with a limited number of people at the airport.

GMC looked at common sense areas for lower costs and strengthening relationships with other governmental bodies. Also GMC called for an inventory of the current assets the County has. The last asset review was about six years ago. This asset review is important for adequate insurance coverage and how the County is controlling energy and maintenance costs. In addition a review of non-parkland would show what is disposable and putting it on the market. Liquidating that asset would bring dollars in to take care of deferred maintenance, other debts and long-term costs the County has.

**9-A-490** Mr. Lubar addressed how the GMC got started on this. They appointed a quality of life subcommittee and cultural assets. The first meeting was approached by the Parks People who felt the parks was key and should be part of the study. GMC did not address the Human Services element of the County Budget. Mr. Lubar said the County has addressed human services in a major way within the budget. He did not feel GMC could provide any further input. GMC did not look at Human Services to see if it was adequately financed by the State.

**9-A-540** The GMC report deals with reducing costs. It does not tell the County how to negotiate with the Union regarding healthcare costs. Several consultants worked on the GMC report and indicated that there was room to save substantial amounts of money.

Mr. Lubar said he focused on the governance area. He never spoke with a supervisor who complained about governance. The County does not have control on what gets placed on the tax bill, which is an area where most citizens will complain.

There are numerous taxing authorities like MATC, which is a major part of the tax bill. Mr. Lubar said GMC only talked about governance in a generalized way only because they did not feel capable to provide alternatives to what the County currently has. He continued by stating that the County has responsibility without authority. You have authority out there without responsibility, which is not a good recipe. This results in the cultural assets being squeezed down. He used the Milwaukee Public Museum with over \$30M debt as an example. He did not know how the County was going to approach that.

## SCHEDULED ITEMS (CONTINUED):

GMC did not offer a solution to the Museum issue because they felt it was not in their purview.

**9-A-577** Mr. Lubar said he is a member of a task force Governor Doyle has convened. The task force will conduct a study and make recommendations by December 1, 2006. The Governor may consider those recommendations as part of his January 1, 2007 budget. The Governor's task force is still open and does not deal with cultural assets exclusively as the GMC Task Force did.

**9-A-581** Discussions ensued with comments and questions from the Committee.

Supervisor Nyklewicz addressed what the State requires of the County without any adequate level of funding for supporting those services. For example, eliminating General Assistance Cash grants, getting out of the hospital business, W-2 Program was transferred to private entities, child welfare was transferred to the State and the state took \$20M of the County's shared revenues to accomplish this.

**9-A-590** The County has campaigned on a series of referendums asking the county residents and State of Wisconsin who should pay for state required programs.

The Courts have recently advanced a proposal from the Supreme Court relative to a phase in of some costs to reimburse to counties, but unfortunately the Governor's task force was willing to entertain discussion by the Chief Judge, but limited her ability to communicate the specifics of the Supreme Court.

**9-A-614** The County feels the Chief Judge should be allowed to talk specifically about the proposal the Supreme Court developed and advocated for. The proposal has the support of a number of judges throughout the State of Wisconsin, including chief judges and the Supreme Court itself, which is a major step forward.

**9-A-619** Supervisor Nyklewicz further stated that the County has repeatedly asked for dedicated funding for transit. Milwaukee County is the only system in the country still relying on property taxes to sustain and support property taxes. We have the highest cash fares in the County for our transit system. There will be an increase in fares for the 2007 Budget.

The other area the County needs some relief is with the Local Option Sales Tax. Locally flexibility to determine sales tax levels would allow the County to dedicate funding to support our cultural institutions like Parks and Recreation.

Unfortunately the County Executive vetoed an attempt to get a referendum question on the ballot this past fall in two forms: a quarter percent and a half percent. The Board failed one vote short in each case to override the veto.

## SCHEDULED ITEMS (CONTINUED):

The County Executive has espoused this notion that the people should have a right to set and speak in terms of taxes. He supports Tabor, which would freeze taxes forever. He does not support an opportunity for people to have an input by referendum as to what is an appropriate level of support to maintain the quality of life in this community.

- 9-A-627** The reason for the decline in the quality of life programs is the increased cost of state mandated programs and services. Health care and pension contributions in recent years has accelerated that problem but the major problem has been the County has been living under a tax imposed or capped rate on spending since 1993. The last two years it has been frozen.

The County is currently operating in the 2006 budget for 2007, \$45,000,000 less in tax levy support. This would have been allowed under the old caps. This is very relevant. We need GMC's help and understanding.

The POB's may work but it is not a simple matter as pointed out in the GMC report. The County is not exchanging a fixed rate cost for a fixed rate cost. The current earnings on the bonds are variable and if we switched to a liability with POB's it becomes a hard liability. So we are taking a soft liability and moving to a hard liability with a fixed interest cost

Supervisor Nyklewicz stated that the County is not the problem but is working toward solutions.

Mr. Lubar said the Chief Judge was concerned about bailiff funding. She will be submitting a memo to GMC on the things needed in the courts. A statement in the GMC report on an oversight board was not a mistake. If the problems cannot be resolved, then a change must be made to the system.

Discussion ensued on GA cash grants and State mandated services/programs. It was pointed out that the focal point of GMC's discussion should be that the State does not provide sufficient mandate to the County.

- 9-A-706** Supervisor Dimitrijevic addressed the following: County's funding for the Museum, new revenue, and funding for cultural assets.

Mr. Lubar addressed spending and revenue. The County is working within restraints they do not control. Raising taxes is appropriate. Reducing expenditures at MATC is appropriate. There is no single answer. If the County just asks the State of Wisconsin to provide more money as the solution, this will not get the County anywhere nor just raising taxes. He stated that like any business, they don't just open and run and make money. There is a real challenge to get the

## SCHEDULED ITEMS (CONTINUED):

revenue and keep the expenses where they should be. It is the same challenge for Milwaukee County.

**9-B-11** Supervisor Dimitrijevic said the County is facing fiscal challenges not a crisis.

**9-B-25** Supervisor Borkowski gave kudos to Mr. Lubar for his personal wealth and contributions within the community. He proceeded to address the health insurance issue and felt no urgency from GMC or the business community regarding health. There are efforts but no results are seen.

**-B-129** Mr. Lubar said the escalating health care is happening across the United States. There appears to be a lack of competitiveness with hospital rates. He is willing to sit down with any group to address the issue. An idea of a Health Savings account, which is portable, non-taxable, and you can move with it, is a place to start. Health Care stock is the most prosperous.

Supervisor Borkowski said he is looking to leadership of the business community like GMC, MMAC and others, that the County needs some assistance.

**9-B-162** Ms. Taylor spoke about what GMC has been working on. If you want to talk about cost containment, talk to the Business Health Care Coalition. Consider talking to them about becoming a member. The other groups within GMC's healthcare committee include insurers, hospitals and business partners. People have a right to live in a safe and healthy environment. There is limited prevention. The level of community nurses is limited as well as school health nurses.

Ms. Taylor said more jobs are needed in the community.

**9-B-207** Supervisor McCue addressed the healthcare costs. The Finance and Audit Committee took charge by appointing an Employee Health Care Work Group along with input from Cambridge Advisory Group, to save some money.

He further stated that State mandates are really hurting Milwaukee County.

**9-B-280** Supervisor Weishan also addressed State mandates. We can only cost shift so much.

**10-A-5** Supervisor Schmitt addressed the Committee. It is important that work is continued on the health care issue. Pressure must be applied to core providers. The business community should be working with Milwaukee County to address the health care issue and wellness programs.

**10-A-157** Supervisor Nyklewicz encouraged GMC to consider alternative non-property tax funding mechanism for transit and a local option sales tax for County Government

## SCHEDULED ITEMS (CONTINUED):

for some discretionary spending. The City of Milwaukee is the only municipality within the County that annually assesses property. So the growth in terms of what depreciation is in property values continues to hit people. It is one of the major factors driving the frustration of property taxes in this community. If he put out a referendum to his district and asked what is more ominous—the City reassessing your property taxes every year or the County pension scandal? He felt that the response would show more frustration and anger over what drives people out of their homes—taxes.

**10-A-193** Supervisor Nyklewicz stated that the property taxes being used, as the funding mechanism for all of these services, is really a problem. He did not discount health care and other components raised in the discussion. However, it all comes back to the property taxes.

**10-A-203** Supervisor West commented on the needs of the Courts and DA Office. They cannot take cuts.

**10-A-276** Chairman Holloway stated that the County is doing what it can with the resources available. The County is being progressive.

Mr. Lubar thanked the Committee for the dialogue and will work with the County.

2. 06-10 Update from Director of Intergovernmental Relations, regarding legislative matters. **(FOR INFORMATION ONLY, UNLESS OTHERWISE DIRECTED BY THE COMMITTEE)**

**10-A-312** Mr. de la Rosa and Ms. Bablitch gave a brief update on the upcoming Legislative session and overview of the Airport Legislation Council.

The Legislative Session starts January 2007. Meetings have occurred with County Departments to obtain their legislative requests. Departments have submitted their budget requests through the State Department of Administration. The Governor will review those requests and submit a budget to the Legislature in February. The Joint Finance Committee will review the Governor's request A bill will then go to the Senate and Legislature by June.

Financial concerns are driving many of the departmental budget requests. Some of the main areas are the courts and court funding, expressway aids from the Sheriff, public safety concerns, Child Support funding, Income Maintenance and Transit. As it relates to courts, Chief Judge Brennan, did make a presentation to the Governor's Task Force.

A meeting was held last week of the Legislative Council on the Airport Authorities. It was reported that Mr. Bateman and Supervisor White, which was

## **SCHEDULED ITEMS (CONTINUED):**

his first official meeting on the committee, gave an outstanding presentation on the airport. After the meeting, the Chairman of the Committee indicated that they might have to look at some enabling legislation. However, it was also indicated that perhaps the committee might need to look at privatization and airport authority legislation.

### **10-A-385** The council only has two committee meetings left.

Supervisor Nyklewicz suggested that IGR staff draft a letter for the Board to sign officially stating the County's position and opposition for the need of an Airport Authority. In addition, cite the working relationship the County has with the airlines. It has been productive. The County verbally asked the airlines to consider withdrawing their support for legislation. There has been no response to date.

It was suggested that a second set of letters go out to neutralize the efforts for the airport authority. The capital projects have been included in the budget. The caveat is that it would be revisited prior to issuance of bonds. This would ensure that bases are covered in protecting the taxpayers' interest.

Supervisor McCue inquired about his previous request from the September meeting as it relates to airports in the State of Wisconsin and how much tax levy is going to subsidize those airports.

Ms. Bablitch indicated that they would continue to follow up on Supervisor McCue's request.

### **Staff Present:**

Roy de la Rosa, Director, Intergovernmental Relations

Kelly Bablitch, Assistant Director, Intergovernmental Relations

Steve Cady, Fiscal and Budget Analyst

**SCHEDULED ITEMS (CONTINUED):**

This meeting was recorded on tape, which is available for audit upon prior request of the Committee Clerk. The foregoing matters were not necessarily considered in agenda order. Committee "green files" contain copies of resolutions, amendments, ordinances, reports and correspondence, etc., which may be reviewed upon request of the Committee Clerk. The official copy of these minutes is available in the County Board office.

Adjourned: 11:30 a.m.

*Delores "Dee" Hervey*

Chief Committee Clerk

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<p><i>ADA accommodation requests should be filed with the Milwaukee County Office for Persons with Disabilities, 278-3932 (voice) or 278-3937 (TTD), upon receipt of this notice.</i></p>
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